

HON. A. G. BLAIR

**Minister of Railways
and Canals**

RESIGNS HIS PORTFOLIO

**As a Protest Against the
Government's Rail-
way Policy.**

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The EDITH and LORNE PIERCE
COLLECTION of CANADIANA



Queen's University at Kingston

HON. A. G. BLAIR'S RESIGNATION

Ottawa, July 16, 1903

Hon. A. G. BLAIR (St. John City), explaining the cause of his resignation, said: Mr. Speaker, the right hon. Prime Minister (Sir Wilfrid Laurier) having made the statement and explanation referring to my withdrawal from the cabinet it is my privilege, and I think it becomes my duty to make a statement as the retiring minister in my own behalf. I am not unaware, Mr. Speaker, that the step which I have taken is one of the gravest possible character. I regret as much as any gentleman on this side of the House can regret, the severing of the ties which have existed between myself and my colleagues since my entry into the administration. I can well realize that the effect of cabinet changes at this moment will not only tend to delay and protract the business of an already very prolonged session, but will occasion very much embarrassment to the party, and will be a source of anxiety to the Prime Minister himself, a thing which above all I would gladly avoid.

The step which I have taken, Sir, can only be justified in respect of my duty to my constituency; of my duty to the party; of my duty to this House and of my duty to the country, upon the clearest and plainest and strongest grounds.

And, Sir, I think I will be in the judgment of every member of this House when I say, that such a course on my part must have been taken by impulsion of the gravest character. No minister filling a distinguished position in the cabinet would hastily and lightly cast aside his position, the influence and the advantages which it legitimately carries with it, and all that that change implies.

For myself personally, I have endeavored while I have filled this office to discharge its duties in a manner which would not only redound to my own individual credit, but which would be of benefit to the country as a whole. And, sir, I have not spared time nor labor to achieve these results. Believe me, Mr. Speaker, the step which I have felt called upon to take, I have taken in no light or in no frivolous way. I have not acted in any spirit of caprice, although I find the statement generally made that I have. I have not acted because of any pique, nor for any small sized feeling of such a character. I have left the administration for reasons which I am bound to state to the House, and which have to some extent been stated by the right hon. the Prime Minister. I trust, Sir, that those reasons, while they may not appeal to the

judgment of every one, will at least enable my friends in whose good opinion I desire to stand well, my constituents whom I represent in this House, and my province which I have represented in this government; I trust that when I state my reasons I will be able to satisfy them that whether I have erred or otherwise I have at all events sought in this my action to do what I believed to be my duty.

No doubt, Mr. Speaker, speculation is very rife as to the causes which have impelled me to this action. I see it very widely stated in the public press that the fact that some of the members on this side of the House pressed and successfully carried amendments to the railway commission Bill was regarded by me as an offence and was one of the predisposing causes creating dissatisfaction and discontent, and leading me to seriously consider the question of my resignation. I do not know by what standard these people would measure me; I do not know in what balance they would have me weighed, but I trust there is nobody who entertains such a contemptible opinion of me as to suppose that the action of these members in that regard would cause me any offence. When that Bill came before the House I thought it was treated fairly. I had no reason to complain, and until I saw the statement made with such confidence in the newspaper press of this country, I was not aware that I had entertained such a feeling or had been offended by the action of any one of the members of this House. Why, Sir, some of the clauses that were treated in that way in this House and upon which my view did not carry; some of these clauses were of a purely every day character, and while I was bound to have an opinion and having that opinion I did not fail to express it, yet I am bound to acknowledge and I am free to say that there was no member in the House who would not be as well entitled to express a sound judgment on these clauses as I myself was. I endeavoured while that Bill was going through the House in some two or three instances, to have hon. members know and feel that so far as I could control the consideration of the question I regarded it as an open one, and I stated that if hon. members felt that I was wrong they might freely say so by their amendments and by their speeches. I therefore trust that none of my hon. friends who took that course will do me the injustice to believe that their action had the slight-

est impression on my mind. Another cause that has been assigned for my present action is that I had no assistance from my colleagues in the council in pushing that Bill through the committee. I dismiss that with a similar observation. I did not ask any of my colleagues of the ministry to help me because I felt that not having studied the Bill as I had done they could not be so familiar with its contents and so well informed upon it as I was to meet the objections that were being made in the House. Had I asked any of them to do so, I want to say openly and publicly that there is no reason in the world so far as I know why they would not have cheerfully and readily come to my help.

Another statement which if possible has had a much wider circulation and which seems to have met with some acceptance in quarters that I would not have thought were likely to accept it; is the statement that I have long been considering the intention of resigning owing to rebuffs and continued ill-treatment received at the hands of my colleagues. Now, Sir, I want to say emphatically here that until the question of the Grand Trunk Pacific came up for consideration before council, the thought of resignation never entered into my mind. And if I had not seen the statement in the papers I would not have been informed as to the conditions which it is said prevailed in council, and as to the treatment I was receiving from my colleagues. Let me say that I know of no instance—and should my separation now prove to be a permanent separation—I am bound to say that I can acquit my late colleagues of any charge of that kind so far as I myself have any personal knowledge. I have heard the name of Mr. Sifton, the Minister of the Interior, mentioned as having been caballing against me, and endeavouring to undermine me and my influence in the Cabinet. Well, if that be the case he has succeeded most admirably in concealing that from my knowledge at all events. I never had it in my mind that that gentleman's conduct towards me was such as has been represented. I do not know, nor do I suspect any member of the council from which I have just retired, of having treated me in any such manner. But if there was any evidence required as to the opinions which I held and as to my feeling towards the Minister of the Interior, I think I may at this moment appeal to the fact that when during his absence he was assailed in a

manner which I thought was unfair, my voice was the first voice raised in his defence, feeble though my voice may have been. Now, Mr. Speaker, the sole and only cause which has led me to take this regrettable step; and I own it frankly to the House that it is regrettable to me, as I know that it must be regrettable to my friends, not only here, but in my own province—

The only cause which has led me to take that regrettable step is because I have been unable to justify to my mind, to my own conscience, and to my own duty to my people, the support of the proposal which the Government have decided upon making to this House and the asking of legislation to pass with respect to the project known as the Grand Trunk Pacific Railway.

It will naturally occur to the minds of members on both sides of the House that it is a matter of extreme difficulty for me to enter upon a discussion of that question. If I were otherwise disposed to do so, I am unable to do it for the very sufficient reason that that project is not before this House at the present time. Nor do I know, from the remark that was made by the right hon. Prime Minister when he read his statement, the form in which that project will be submitted. But this much I do know, from that statement, that the chief troubles which I felt the Government must necessarily experience if it forced on that project, have been adhered to. My objections—I may state briefly—not all of them. I will not enter on the subject at present with any degree of particularity, reserving what I have to say upon it for a later period, when it can be more properly and more sufficiently discussed. My objections were of this character. I objected to the government constructing another government road from Levis to Moncton. I OBJECTED TO IT BECAUSE IT PARALLELED THE INTERCOLONIAL RAILWAY IN MY OPINION, WITHOUT A DOUBT. You cannot build a line between the same points without practically paralleling the Intercolonial Railway. However, I will not enter upon any elaboration of that point; I will merely state my position. I OBJECT TO ANOTHER GOVERNMENT ROAD, EVEN IF IT DOES NOT PARALLEL THE INTERCOLONIAL RAILWAY. We in the province of New Brunswick are not asking for it, unless there are some who want to see the money spent there, and that class of people, I apprehend, are not a class who will influence largely the

action of this government or the legislation of this parliament. ANOTHER OBJECTION WAS THAT I THOUGHT WE WERE PROCEEDING WITH UNDUE HASTE. I have no hesitation in stating that I am as much in favour of the construction of another transcontinental line as any other member of this parliament;

But I am not in favour of impetuously rushing into the construction of a transcontinental line from Quebec, through an unknown country to Winnipeg and the west, until we know something about it—until we have the fullest information about it. The project is one of very great magnitude, and should be dealt with only after the maturest deliberation.

Now, Sir, without having this Bill before us, without being able to do more than simply indicate the order of events, I am going to state now to the House what occurred in connection with my resignation. On Saturday, the 4th of July, I became convinced that it was determined to build a line of government railway from Moncton to Quebec, and to proceed at once with the construction, without surveys from Quebec to Winnipeg; and, Sir, feeling convinced, knowing, in fact, that what my right hon. friend has stated to-day was then decided upon, I caused it to be made known that that policy, not to speak of other features which will be elaborated later, was not a policy to which I could commit myself as a member of the government; that I could not take the responsibility of bringing before parliament, and pressing and urging upon the acceptance of parliament, and calling for the approval of the country, a project of that character. That necessarily would involve and did involve, in the mind of anybody who had heard me, and who knew the position which I felt constrained to take, nothing short of a withdrawal from the government; and on Monday I conveyed to the right hon. the Prime Minister my resignation as a member of the cabinet with a written statement accompanying that resignation. I pointed out at the conclusion of my letter that I realized that there was the heavy Bill relating to the Railway Commission which had not yet been fully disposed of in committee, and that, if the right hon. gentlemen so wished and would give the Bill precedence in the order of business in the House, I was willing that my resignation should remain unacted upon until I could assist in putting through that measure. That met with the right hon.

gentleman's approval; and at his request I accepted back from him the letter which I had written and the resignation which I had handed to him; and the situation was just as I have stated it and continued to be, until after that Bill passed the committee. On Friday I had the letter rewritten leaving out what had been said with reference to the Railway Commission Bill, inclosed my resignation with the accompanying letter, and was on the eve of handing it to the Prime Minister, when he did me the honor of calling upon me and suggested that I might not act for a day or two, as he desired to think matters over. I was going away on Saturday. I acceded to his suggestion. I did not return till Monday. I expected so have seen him earlier on Monday than I did, and I sent that letter with another with my resignation to him on Monday, the 13th day of July. It remained, as I say, in abeyance during those six or seven days under the circumstances I have mentioned. Now, it is proper and due to this House, and due to myself, that I should put the House in possession of the contents of the communication which on the 10th of July I forwarded to the right hon. the Prime Minister:

Office of the

Minister of Railways and Canals,

Ottawa, 10th July, 1903.

My dear Sir Wilfrid,—Since the statement of my position respecting the transcontinental project was made in council on Saturday last I have been considering the subject from all points of view, in the hope of finding some proper means by which I could avoid the necessity of withdrawing from the cabinet. I fully realize that in your present indifferent state of health such action on my part would cause you much anxiety and embarrassment, and this I would gladly spare you if it were at all possible. I deeply regret, however, that the more I reflect upon the situation the more I find myself constrained to take this step. It is the only course consistent with my view of public duty and what is required of me by my self-respect.

The suggestion which was made to me when I stated to council my inability to become responsible for the policy which the government was apparently determined to adopt with reference to the transcontinental railway project, that I might delegate to some other minister, or that you yourself might take charge of the carriage of the resolutions and measure in

parliament, appears to me more impracticable the more I consider it. It does not seem to me possible that, while declaring myself in council as disapproving strongly of the government policy on this question, and therefore unable to support the same in parliament, I could retain my position in the cabinet and avoid the public advocacy of a proposition which it would be especially my duty as Minister of Railways to present to parliament and defend before the country. This course of tacitly accepting a measure which my judgment strongly condemns I consider, on reflection, as neither fair to the government as a body nor just to myself. All inference would be drawn from my silence that I was not favourable to the government policy, and yet that I was not adverse to retaining my ministerial position. I am sure that we all would be placing ourselves, in such a course of conduct, in a false position, and would surely be assailed as committing an open and flagrant breach of a well recognized principle obtaining under our system of responsible government. Neither of us can afford to be a party to such a procedure, and I appeal to you to say whether or not it would not be infinitely better that I should submit to the sacrifice of the office which I have the honour to hold, and in discharging the duties of which I have felt a legitimate pride, while you should be subjected to any embarrassment which might result from my resignation, rather than that we should jointly suffer the reproaches which such act on our part would necessarily provoke. The measure could not be many hours under consideration before parliament when I should be made to feel the insupportable character of my position, and you would be made to reproach yourself, and our colleagues to reproach themselves, with not having foreseen that this result would be inevitable.

You complained on Saturday, when I intimated my inability to support this scheme, that I had treated you unfairly in not having earlier in the discussion advised you that if this policy were determined upon I would be compelled to withdraw from the administration. I believe you will, on reflection, acquit me of this charge. It would grieve me deeply to think I had not dealt with you in a spirit of the utmost frankness and loyalty throughout the discussion of the question; but with a knowledge of the situation, I COULD NOT BRING MYSELF TO BELIEVE THAT A SCHEME SO OBJECTIONABLE AND

ALARMING IN MANY RESPECTS WOULD BE FINALLY AND DELIBERATELY ADOPTED BY GOVERNMENT; and I did not until a few days before Saturday last entertain the least idea that the advice tendered you against hasty and impetuous action would ultimately prevail.

I consider it would have been unbecoming on my part to have even hinted at withdrawal from the cabinet if my views did not prevail, while there were still good reasons for the hope that my opinions would have weight with yourself and our colleagues. When the ground for such hope appeared to be diminishing, which would be at least from two or three weeks ago, I went so far as to say, with all possible gravity, that I could not see how it would be possible for me as Minister of Railways to undertake to present and defend this scheme before parliament, or allow myself to be regarded as the minister primarily responsible for its adoption. The warning I then gave to yourself and my colleagues was going as far as I thought I ought to go at that stage. I intended it as a direct and clear intimation of my attitude upon the question. I think it was made with sufficient impressiveness, and it is not my fault if it was not appreciated by you: It further appears to me that I had declared my intention of withdrawing from the cabinet while there was still a prospect of this policy not being adopted, you would have considered I was endeavouring to accomplish by threat what I had failed to effect by argument.

I consider that my position with respect to this question differs in an important sense from that of any of my colleagues. As Minister of railways the public would naturally regard me as having prompted and urged this scheme upon the government. I would necessarily have the carriage of the proposal through parliament, and in the nature of things would be by the public regarded as more responsible for the policy than any other minister in the cabinet, except perhaps yourself. The brunt of the opposition which would be encountered in the House would have to be borne by me, and the duty of justifying and advocating the measure would largely devolve upon me. Even if I could bring myself to subordinate my personal judgment upon the question for the sake of the party, how could I discharge the duty of advocating and defending the measure without any heart in the cause, and with the strong opinion which I have uniform-

ly entertained that IT WAS NOT A POLICY WHICH WOULD BE CONDUCTIVE TO PUBLIC INTERESTS, NOR ONE WHICH COULD BE SAFELY ADOPTED IN THE INTEREST OF THE GOVERNMENT ITSELF.

Again, as respects my being open to the charge of want of fairness to yourself, it rather appears to me that an allegation of that character more properly lies at your door. The Grand Trunk proposition had been made to you, and you had consulted with other ministers, and those ministers had met Mr. Hays on several occasions, as I am advised with your knowledge and approval, long before you made me aware that negotiations or discussions on this subject had been entered upon and were being prosecuted. I do not say that I was unaware of them, because information indirectly reached me to that effect; but I do say they had made progress and had been well advanced before my chief had considered it proper or necessary to acquaint me with the facts.

I think I might justly complain that so important a matter of policy, arising within the sphere of my own department, should have been conducted and continued in this way behind my back and without my knowledge.

I am not making this the subject of complaint now, and it has not materially influenced my action at the present moment. I believe, if my memory serves me, this is the first occasion I have mentioned the subject to you. I reconciled myself to the very obvious slight which had been cast upon me on the ground that probably your knowledge of my views on the general question did not encourage you to expect I would look with much favour upon, or render much assistance towards carrying out the object you had in view.

With the most extreme regret, Sir Wilfrid, I feel compelled to tender you my resignation, which I have to beg you will hand to His Excellency without delay. This resignation you must treat as final. The action which has been taken since Saturday last, in submitting to a caucus of supporters of the government in parliament the transcontinental railway propositions, identically in the form in which they were adopted by council, assures me that the government has fully resolved to take the responsibility of asking parliament to approve them.

In case you may think the action which has been taken is not irrevocable, and to avoid any possible misunderstanding on the question, I feel I ought to repeat to

you the conditions upon which I would be disposed, if you so desired, to further consider my action in this matter.

I WOULD REQUIRE THAT THE GOVERNMENT SHOULD ABANDON ITS PRESENT INTENTION:—

1st. Of building or authorizing the building of a line of railway to Moncton, which would be paralleling and destroying the Intercolonial; or building or authorizing the building of any other line of railway more remote from the Intercolonial, until the need of such latter railway becomes apparent, and proper surveys and an estimate of its cost are first made and thoroughly considered.

2nd The idea of immediately proceeding with a railway from Quebec to Winnipeg. The government should be content with declaring itself in favour of the policy of building a government line from Quebec to the prairies, and across the prairies to the Pacific coast, as soon as the need shall arise;

And in the meantime that parliament be asked for an amount to enable a thorough exploration of the country to be made, so that it might be possible to judge whether or not a suitable traffic producing route could be found through this district, and its cost and the character and conditions of the country through which it is to pass ascertained.

I would further stipulate:

3rd. That if such a route is found practicable, and gave promise of a fair measure of traffic a railway should be built by government through, if the government should so decide, a commission, rather than by the government itself directly, and that a contract for such construction should be let only after open and public competition.

4th. That when built and ready for operation, such railway should not be handed over to any one existing railway company under lease; but that the same should be operated either by the government itself, through a commission appointed for the purpose, if so preferred, or by a trust composed of the representatives of the different railways which might intend to use it under direct government supervision and control; and that such form of dealing with the question of operation or management should be decided later after a fuller knowledge of the facts and mature deliberation.

5th. That the policy of giving a present guarantee or other aid to the company to build a railway in continuation of the Quebec-Winnipeg line through the fertile

prairie district, the most valuable and promising section of the whole system, should not now be entertained, and that the final decision of the matter be deferred until it became reasonably clear that settlement along the probable route of such railway would justify its construction.

I desire to express my extreme regret at parting from my colleagues, and under the conditions which have made this step necessary. With many of my associates at the council board it has been a great pleasure to me to act during the past seven years. If it is to be a final separation, I assure you I withdraw with personal feelings of the friendliest character.

Will you, Sir Wilfrid, accept my grateful appreciation of the compliment and honour conferred upon me when you invited me to take a seat in the cabinet at its formation in 1896.

Yours faithfully

(Sgd.) AND'W G. BLAIR.

This letter, as I have said, was one, with the exception of the reference to the Railway Committee Bill, which I wrote and handed to the right hon. gentleman the First Minister, on Monday, the 6th of July. It was held over under the circumstances I have detailed to you; and when I gave him my explanation in the letter I have just read, I accompanied it with a further letter dated 13th July, which I will also now, with your permission, read to the House:—

My dear Sir Wilfrid,—As I had not delivered to you my letter of the 10th instant on that day, owing to your request that I should defer action for a day or two to enable you to think matters over still further, I have thought that I might supplement that communication and suggest means whereby a common understanding on the railway question could yet be arrived at between my colleagues and myself.

Let me state our position on the main question: My decided preference is for a government owned and government operated railway across the continent, and my chief reason for favouring it is that it will have an equalizing and regulating influence upon all other railways throughout the western territory. In this view I am practically alone, and therefore I admit at once that this proposition must be laid aside. But the cabinet has decided that the government shall build half way across the continent as a government road, namely, between Quebec and Winni-

peg, and when built shall lease the same to the Grand Trunk Pacific; and as to the other half, it has been determined, as I understand, that liberal government aid shall be given the same company to build and thereafter to own to the coast.

To this mode of solving the railway problem I am decidedly opposed. At best it is a hybrid scheme, involving the compromise of two antagonistic principles and will be followed as is usual with compromises of that kind, by unsatisfactory results. It will also fail to satisfy the exponents of either view. It will be difficult to explain why government should build and own the lean section of this railway, and provide a company with government credit to enable them to build and operate the fat section.

It is attempted to justify the eastern proposition from Quebec to Winnipeg on the ground that a great railway highway will thus be assured, open to any and all of the western railways to connect with it, and who might take their trains independently over this common highway from their connecting point to the St. Lawrence. I will not elaborate again my objections to this plan. It is wholly impracticable that this line could be so used by different railway companies. There must be some authorized body to work, not the trains, but the freight cars of the different railways, and generally to look after and operate the line. The necessity of this is what I presume has led my colleagues to decide that they will lease this section to the Grand Trunk Pacific, and it is proposed to assure the public that a contract can be made with the G. T. Pacific so binding as to enable these different railway companies to exercise what are called 'running rights' from and to Quebec and Winnipeg. This is equally impracticable, in my opinion, or nearly so. The Grand Trunk Pacific will employ the men who will handle the traffic. The officers of the line will also be employees of the Grand Trunk Pacific, and the Grand Trunk Pacific Company will be in the field as a keen and active competitor for western traffic with these other companies which it is presumed will desire to connect with the terminals at the end of the government owned section.

I will not go into the reasons, which are conclusive, but, under these circumstances, other companies if they can find any other means of reaching eastern points will not utilize this road. For my present purposes it will suffice to say that in this

opinion I believe I am absolutely correct.

As I have said, I am in favor of the whole line being built and owned by government; but having abandoned any expectation in that regard I am equally in favor of the whole line being a company line, if any portion of it, or a substantial portion, is to be a company line, and therefore I am prepared since Council has determined to go forward with this undertaking at once, to co-operate with my colleagues in guaranteeing the bond over the whole line to an extent not exceeding three-quarters of the cost of the construction of the railway.

If this view is entertained I think it should be upon some such conditions as the following—I do not propose to state all of them, but the important ones:—

1st. The Grand Trunk Pacific is being aided to a most generous extent. It cannot build its road without very liberal assistance. In giving aid the government might very properly impose terms looking to some financial advantage to the country in the future, and therefore I would insist that a share of the earnings—I would not say half, but I would not think it ought to be less than a third of the net earnings, or that portion of the net earnings which would not be required for the improvement or betterment of the road, and which remained for distribution among stockholders, should go to government.

In this connection, government might very properly claim the right to appoint one of the directors, and also have the books of the company open to the inspection of a railway accountant at any time required.

2nd. As a means to achieve the same purpose which the Nova Scotia people appear to consider very essential—that is to say the obtaining of a share during the winter of the Grand Trunk Pacific through-traffic for Halifax—the company should be bound to carry all unrouted traffic over the whole of the Winnipeg section of a St. Lawrence seaport in summer, and in winter from Quebec to Halifax and St. John over the Intercolonial; and the Intercolonial should, in the division of rates, be entitled to such division on a mileage basis, mile per mile, with the Grand Trunk Pacific. As to traffic not routed the Grand Trunk Pacific should be required to bind itself that it will use all its influence with its shippers in respect of traffic originating in the west for ocean carriage to secure such traffic for the Intercolonial during the winter season, using

with its shippers all lawful and proper means to that end. There might very well be a condition in the contract between the government and the Grand Trunk Pacific in order to ensure the observance of this feature of the contract, that the Governor in council should have power by Order in Council to declare, after inquiry at any time, if it is so established, that the Grand Trunk Pacific have not complied with their agreement and have not used all lawful and proper means to secure the routing of traffic over the Intercolonial; and such declaration being made, the same should be final and conclusive as to the fact, and the Grand Trunk Pacific should be thereupon liable to pay to the Intercolonial the share of freight rates which it would have earned had the agreement been carried out.

I am sure that this will guarantee bona fide treatment by the Grand Trunk Pacific under any management, and will thereby secure an advantage, not only without the enormous expense to the country which would be involved in the building of a line to Moncton, but would save the Intercolonial from destruction and depreciation, and keep the people who live along the line from having the Intercolonial reduced to a mere local road, and, at the same time, would increase the business carried over that railway to the extent to which such business would have been done by the Grand Trunk Pacific over the proposed Moncton line.

I mention these as a few of the stipulations which appear to me to be reasonable and proper, and which, if I had been permitted to conduct the negotiations on this question, I would have sought to bring about. They do not by any means exhaust all that might be suggested; but I mention these now so that you, Sir Wilfrid, and the council may have them before you before you finally determine that you will perpetrate that I cannot help regarding as one of the most indefensible railway transactions which has ever taken place in this country. The more I think upon this subject and look forward to the consequences which are going to flow from an adherence to the present scheme the less capable I am of reconciling myself to it, and the more determined I feel that the whole responsibility of the undertaking will have to rest upon other shoulders than mine.

I feel it my duty to add, that I shall be compelled, on further reflection, to oppose the project in its passage through parlia-

ment. Yours faithfully,
(Sgd) AND'W G. BLAIR.

To that letter the right hon. Prime Minister returned the following reply :

Privy Council,

Ottawa, July 14, 1903

MY DEAR BLAIR,—I received yesterday afternoon your letter dated the 10th, placing in my hands your resignation as member of the Cabinet and Minister of Railways.

I have received at the same time another letter in which you set forth the reasons which have led you to the course which you have adopted.

This last communication opens with a review of the deliberations which have taken place in Council on the railway question. In this review, matters are stated which, in my estimation, come within the rule that "the deliberations of the Council upon all matters which engage their attention, are strictly private and confidential."

I therefore refrain from discussing them.

With regard to the charge that negotiations with Mr. Hays made progress and were well advanced, before I considered it proper or necessary to acquaint you with the facts, I have only to remind you that I thought advisable at first to retain in my hands the negotiations of this important subject, keeping the Council constantly informed, until I referred the matter to a sub-committee, of which you were one. Moreover, far from admitting the charge I claim that since you entered the government, at its formation, I have always extended to you the frank, loyal and cordial support which I consider is due by the Prime Minister to his colleagues.

As to the reasons which you put forward for your dissent from our policy, this is not the time or place to review them.

I may observe, however, on the two main points of your objections:—

1. I am surprised at your statement that the projected line from Quebec eastward to Moncton will parallel the Intercolonial Railway. The territory served by the new line is not the same as the territory served by the Intercolonial Railway. Between the two lines there will be, not only a distance varying from forty to seventy-five miles, but a chain of mountains dividing the territory to be served by each of them.

The plan which we have adopted for the construction of the line from Moncton to the Pacific coast, has been purposely selected so as to keep in the hands of the government the key to the transportation problem from the prairies to the ocean, and to leave the initiative of a private company the section of the country where energy and enterprise will be constantly required to meet the exigencies of an ever-changing situation.

—It was my duty, this morning, to call upon His Excellency the Governor General, to inform him of your resignation, which it was his regret to accept, and in the afternoon, I ac-

quainted the council of your final determination.

Allow me, in conclusion, to express to you my extreme sorrow for an action which I regard as a great mistake toward yourself, toward your friends, towards your colleagues, and above all toward your country, which, at this juncture, requires a bold and fearless policy of transcontinental development.

Yours very sincerely,

(Sgd) WILFRID LAURIER.

The Hon. A. G. Blair, Ottawa.

Mr. Speaker, I have about concluded all I have to say upon this occasion. I acquit the right hon. gentleman (Rt. Hon. Sir Wilfrid Laurier) of any intention or disposition to offer any discourtesy to me. I realize that it would be foreign to his nature and disposition to offer intentional discourtesy to any one. But I am bound to say there may be occasions when, unintentionally, perhaps the same result follows as though it had been designed. I have not, however, allowed myself, in considering this question of the resignation to be influenced by any other thought than as to whether or not the proposals in themselves which my right hon. friend had decided to make to parliament were such as were entitled to my support. I have determined that question according to the best lights I possess. I do feel that when my right hon. friend says I made a great mistake toward myself, toward my friends, toward my colleagues and toward my country that he is speaking the honest convictions of his mind. But, Sir, if I am capable of exercising any judgment on a matter of this kind, I am bound to say that I do not agree with my right hon. friend. I am bound to say that if I had come to this parliament, and, with what little knowledge and experience I have had of railway questions, deliberately advised this parliament and this country that this was a scheme which merited their acceptance, I do not believe I should not have been doing my duty to myself, and in not doing my duty to myself, I would not have been doing my duty to the party with which I am allied. It was my plain and simple course to let them know at the earliest possible moment, and to let the public know also, how strongly I felt, as a responsible minister of the Crown with respect to this important question. My strong conviction is that this country cannot wisely adopt and carry into operation the policy which my right hon. friends the government has adopted.

